

Financial Goals Statement

Capitol Permanent Endowment Fund

Investment Objectives

The investment philosophy of the Capitol Permanent Endowment Fund as articulated by the Idaho Capitol Commission is to provide a stable source of moneys to allow for the maintenance, repair and restoration of the Capitol, while still preserving and increasing over time the value of the Capitol Permanent Endowment Fund. Toward that end, the fund has established the following goals:

1. Accumulate sufficient wealth through a diversified portfolio of investments to pay for maintenance and repairs of Idaho's Capitol Building.
2. Establish an asset allocation policy that is expected to meet the required rate of return over long periods of time while minimizing volatility.
3. Minimize the costs associated with the implementation of the asset allocation through the efficient use of resources.

Asset Allocation

The Capitol Commission desires that the Endowment Fund Investment Board adopt an asset allocation policy for the Capitol Permanent Endowment Fund that is equal to and compatible with the asset allocations of other permanent endowment funds under management and supervision by the board. To the extent desirable, the Capitol Commission supports the board's merging and/or jointly managing Capitol Permanent Endowment Fund moneys with other endowment fund moneys and in other endowment accounts.

Reports and Recommendations

The Idaho Capitol Commission expects to receive the following periodic reports from the Endowment Fund Investment Board concerning the status and performance of the Capitol Permanent Endowment Fund: quarterly written reports on a schedule that is consistent with reports provided to other permanent endowment funds managed and supervised by the Endowment Fund Investment Board, and an annual presentation to the Commission by the Board's Manager of Investments.

Distributions

The Idaho Capitol Commission expects that investment of Capitol Permanent Endowment Fund moneys will be guided by Idaho Code, Section 67-1610(2), (attached), and shall govern its annual distributions to the Capitol Endowment Income Fund accordingly. In determining the amount of its annual distribution, the Idaho Capitol Commission will request that the Endowment Fund Investment Board seek a recommendation from the Idaho Capitol Commission as to the current maintenance and repair needs and priorities of the Capitol Building before determining the percentage for distribution to the Capitol Endowment Income Fund. It is expected that the annual distribution will not exceed 5% except in the case of an extreme emergency, in order to protect the perpetual nature of the fund. In all instances, the board will distribute amounts from the Capitol Permanent Endowment Fund that will still allow the Capitol Permanent Endowment Fund to be preserved and to increase in value over time, so as to be a permanent source of funds for the maintenance and repair of the Capitol.